

**INSURANCE REGULATORY TRUST FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2002**

	Month Ended 8/31/2002				Month Ended 7/31/2002				Current	Prior Year	3 Years	5 Years
	Allocation				Allocation				Fiscal YTD	FY02	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2002	6/30/2002
											Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>												
<i>Structured Growth</i>												
AllianceBernstein	31,224	1.5%	1.5%	2.47%	30,490	1.4%	1.5%	-7.10%	-4.82%	-28.65%	-16.80%	N/A
Russell 1000 Growth				0.30%				-5.50%	-5.22%	-26.49%	-16.15%	N/A
<i>Structured Value</i>												
LSV	34,686	1.6%	1.5%	0.35%	34,607	1.6%	1.5%	-8.45%	-8.14%	2.41%	5.40%	N/A
Russell 1000 Value				0.75%				-9.30%	-8.62%	-8.96%	-2.92%	N/A
<i>S&amp;P 500 Index</i>												
State Street	147,277	6.9%	7.0%	0.66%	146,310	6.8%	7.0%	-7.77%	-7.16%	-18.03%	-9.27%	3.58%
S&P 500				0.66%				-7.80%	-7.19%	-17.99%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>213,187</b>	<b>10.0%</b>	<b>10.0%</b>	<b>0.87%</b>	<b>211,407</b>	<b>9.9%</b>	<b>10.0%</b>	<b>-7.79%</b>	<b>-6.99%</b>	<b>-16.89%</b>	<b>-8.30%</b>	<b>3.74%</b>
S&P 500				0.66%				-7.80%	-7.19%	-17.99%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>												
<i>Manager-of-Managers</i>												
SEI	99,161	4.6%	5.0%	0.75%	98,486	4.6%	5.0%	-13.68%	-13.03%	-11.77%	N/A	N/A
Russell 2000 + 200bp				-0.09%				-14.93%	-15.01%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>99,161</b>	<b>4.6%</b>	<b>5.0%</b>	<b>0.75%</b>	<b>98,486</b>	<b>4.6%</b>	<b>5.0%</b>	<b>-13.68%</b>	<b>-13.03%</b>	<b>-11.69%</b>	<b>2.22%</b>	<b>4.32%</b>
Russell 2000				-0.26%				-15.10%	-15.32%	-8.59%	1.67%	4.44%
<b>CONVERTIBLES</b>												
TCW	218,157	10.2%	10.0%	1.76%	211,708	9.9%	10.0%	-7.22%	-5.58%	-20.37%	-2.22%	N/A
First Boston Convertible Index				0.54%				-6.25%	-5.74%	-12.44%	0.11%	N/A
<b>INTERNATIONAL EQUITY</b>												
<i>Large Cap - Active</i>												
Capital Guardian	210,931	9.9%	10.0%	-1.43%	206,084	9.6%	10.0%	-10.19%	-11.47%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-0.24%				-10.04%	-10.26%	-14.62%	-7.32%	-1.89%
<b>DOMESTIC FIXED INCOME</b>												
<i>Core Bond</i>												
Western Asset	341,326	16.0%	15.0%	2.62%	355,140	16.6%	15.0%	-0.21%	2.41%	8.36%	8.53%	7.80%
Lehman Aggregate				1.69%				1.21%	2.92%	8.62%	8.10%	7.57%
<i>Index</i>												
Bank of ND	183,084	8.6%	9.0%	2.30%	190,905	8.9%	9.0%	1.32%	3.64%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
<b>Total Index</b>	<b>183,084</b>	<b>8.6%</b>	<b>9.0%</b>	<b>2.30%</b>	<b>190,905</b>	<b>8.9%</b>	<b>9.0%</b>	<b>1.32%</b>	<b>3.64%</b>	<b>8.14%</b>	<b>7.66%</b>	<b>7.30%</b>
Lehman Gov/Corp				2.24%				1.20%	3.47%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>												
Strong	134,641	6.3%	6.0%	3.38%	138,897	6.5%	6.0%	-1.70%	1.62%	N/A	N/A	N/A
Lehman US Credit BAA				3.56%				-2.23%	1.25%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>659,051</b>	<b>30.9%</b>	<b>30.0%</b>	<b>2.69%</b>	<b>684,943</b>	<b>32.0%</b>	<b>30.0%</b>	<b>-0.08%</b>	<b>2.60%</b>	<b>7.55%</b>	<b>7.88%</b>	<b>7.42%</b>
Lehman Gov/Corp				2.24%				1.20%	3.47%	8.24%	7.86%	7.47%
<b>CASH EQUIVALENTS</b>												
<i>Bank of ND</i>												
Bank of ND	733,964	34.4%	35.0%	0.16%	724,849	33.9%	35.0%	0.16%	0.32%	2.41%	4.76%	4.99%
90 Day T-Bill				0.14%				0.15%	0.29%	2.63%	4.68%	4.84%
<b>TOTAL INSURANCE REGULATORY TRUST</b>	<b>2,134,451</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1.07%</b>	<b>2,137,477</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-3.01%</b>	<b>-1.97%</b>	<b>-1.97%</b>	<b>3.28%</b>	<b>5.80%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>0.80%</b>				<b>-2.75%</b>	<b>-1.97%</b>	<b>-1.51%</b>	<b>2.76%</b>	<b>5.18%</b>

NOTE: Monthly returns and market values are preliminary and subject to change.